2022 Legislative Agenda

VHA’s 2022 legislative agenda prioritizes strategic investments to address both the supply and demand side of the affordable housing and supportive services needs of Virginia’s lowest income households.

The recently released Joint Legislative Audit and Review Commission (JLARC) report “Affordable Housing in Virginia 2021” found:

- Virginia has a shortage of 200,000 affordable homes,
- Addressing the unmet housing needs of all extremely or very low income households in Virginia could cost $5 billion annually, and
- The annual cost to develop 20,000 new units of affordable housing per year could cost approximately $1.6 billion.

1. Strategically Increase Investments in the Virginia Housing Trust Fund to Address the Supply of Homes for Low Income Households

The Housing Trust Fund is the Commonwealth’s most flexible and targeted housing production tool to address the shortage of affordable homes. Strategic investments in the Housing Trust Fund enable Virginia to create quality, stable, energy efficient, and affordable homes in areas of opportunity and significantly reduce homelessness across the Commonwealth.

VHA supports an investment of $300M for the Housing Trust Fund over the biennium - $125M for FY23 and $175M for FY24. Based on historic outcomes, this investment will result in approximately 20,400 new affordable homes.

2. Increase Investments for Permanent Supportive Housing Programs

An estimated 5,000 units of Permanent Supportive Housing (PSH) are needed to meet the housing and support services needs of adults with serious mental illness (SMI) who are leaving state psychiatric hospitals or who are homeless and at risk of hospitalization. The funding provided last year by the General Assembly allowed DBHDS to meet the housing and supportive services needs for 2,000 adults.

The growing shortage of psychiatric hospital beds adds urgency to the need to increase permanent supportive housing for the thousands of Virginians with mental illness who are ready for discharge from State institutions.

VHA supports an increase of $30.3M to expand PSH to serve at least an additional 1,250 adults with SMI who are leaving state psychiatric hospitals or who are homeless and at risk of hospitalization.
VHA supports an increase of $3.8M for the State Rental Assistance Program (SRAP). This funding will expand SRAP to serve approximately 150 additional adults with intellectual and developmental disabilities.

VHA supports an increase of $3.5M for Pregnant or Parenting Women with Substance Use Disorders program. This funding will enable DBHDS to sustain and expand this program to serve an additional 75 households.

3. Support the Creation of the Virginia Housing Stability Fund to Provide Critical Rental Assistance to our Most Vulnerable Neighbors

Across the Commonwealth, 71% of our 250,000 extremely low income neighbors are housing cost burdened, meaning that they are too frequently forced to choose between paying the rent, keeping the lights on, providing food for their family, and/or seeking medical care. To afford the average rent of $1,088 for a one-bedroom apartment in Virginia, a minimum wage household must work 88 hours per week.

VHA supports the establishment of the Virginia Housing Stability Fund. The Virginia Housing Stability Fund will provide rental subsidies to low-income Virginians. The proposed budget amendment of $73 million will task the Department of Housing and Community Development with convening a stakeholder group to provide guidance as to the program design and issue a report to the General Assembly by November 30, 2022. The $73M in the second year of the biennium will provide rental assistance for approximately 5,000 extremely low-income people.

4. Amend the Virginia Housing Opportunity Tax Credit To Incentivize the Development of Long-term, Energy Efficient Affordable Rental Housing

The historic Virginia Housing Opportunity Tax Credit passed by the General Assembly in 2021 provides $15M in tax credits annually for the next five years.

VHA supports amending the Virginia Housing Opportunity Tax Credit to more closely align with the federal program while retaining the flexibility in the existing legislation to allow for the certification of state tax credits and the ability to prioritize the development of an additional estimated 600 new, long-term affordable, and energy-efficient homes in Virginia.

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